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William F. Caton
Acting Secretary
Federal Communications Commission
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Washington, DC 20554

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WASHINGTON, D.C. 20036-5605
TELEPHONE (202) 973-9700
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Re: Notice of Ex Parte Meeting in the Matter of the
Universal Service Joint Board, CC Docket No. 96-45

Dear Mr. Caton:

On October 1, 1997, Sr. Dale McDonald (National Catholic Educational Association), Ben Jagodzinski (United States Catholic Conference) and I met with Maryanne McCormick of the Universal Service Branch. At that meeting, she requested proposed language for the Schools and Libraries Universal Service Program application forms (470 and 471) to address the concern of schools and libraries regarding preapproved technology plans. We are joined by the American Association of School Administrators, American Library Association, and the National Education Association in this filing.

Schools and libraries—or their regulating entities—without preapproved technology plans or whose State agency refuses to review them¹ will be at a competitive disadvantage over those entities not requiring independent plan approval. This problem will be compounded by the delay in authorizing alternative review mechanisms², which are unlikely to be in place and fully operational by January 1, 1998. If this issue is not addressed appropriately, it will hinder the timely implementation of the technology approval process, interfere with the discount application procedure, and jeopardize the opportunity for schools and libraries to take advantage of the telecommunications program before funds are exhausted (as those entities with preapproved technology plans will be automatically at the “front of the line” to receive discounted services). In order to level the playing field for the application process, we recommend three solutions in order of priority:

¹ To date, at least one State claims that an approval process is tantamount to an unfunded Federal mandate.

² In its May 8, 1997 Order, the FCC stated that it would “...require independent approval of an applicant’s technology plan, ideally by a state agency that regulates schools or libraries...[and] with regard to schools and libraries with new or otherwise approved plans, we will receive guidance from the Department of Education and the Institute for Museum and Library Services as to alternative approval measures.” {§574} The E-Rate Implementation Working Group report made a recommendation to the FCC (see §VIII) concerning alternative review mechanisms.

Solution A

Until alternative review mechanisms are authorized and viable, application for discounted telecommunications services would proceed without approval of an entity's plan.

Solution B

Schools and libraries without preapproved technology plans would proceed with the application process while the plans are reviewed by an appropriate approval entity. They would also be required to submit their plans to the Schools and Libraries Corporation³. Funds covering requested services would be held in escrow until plan approval is granted (or, if the plan is not approved, escrowed amounts would be returned to the general schools and libraries fund). Proposed supplemental language for Forms 470 and 471:

Form 470: Certifications and Signature

☐ The applicant is an entity, or the individual schools, libraries, and libraries comprising the entity, requesting services other than basic telecommunications. Its technology plan has been submitted for approval.

Form 471: Certifications and Signature

☐ Funds will be held in escrow until notification of technology plan approval has been forwarded by the applicant to the fund administrator.⁴

Solution C

Currently, "...plans that have been approved for other purposes, e.g., for participation in federal or state programs such as 'Goals 2000' and the Technology Literacy Challenge will be accepted without need for further independent approval" [May 8, 1997 Order §574]. Expand this scope to include individual schools, libraries, and libraries comprising an entity covered by a preapproved technology plan. Many public schools and libraries are in a similar bind to that facing private schools (see above and below). While public schools and libraries may have plans—and know who the proposed approvers of technology plans would be (i.e. state education or state library agencies)—most schools and libraries have not submitted these plans to the appropriate state agency in the past. Although many schools have applied for Goals 2000 and/or TLCF funds, and many libraries have applied for LSCA or LSTA funding, most schools and libraries have not participated directly in

³ It is our understanding that the SLC will not be the approving agency for these plans; applicants would file their plans with the SLC to prove their existence while they await approval from an appropriate approval entity.

⁴ If the technology plan is approved during the four-week posting period, then the applicant would so indicate. However, in those instances when the plan is still being reviewed, it is essential that the allowable discount on the applicant's request for telecommunications services be placed in escrow by the fund administrator until the technology plan is approved. Such a mechanism would eliminate the competitive advantage gained by entities with or covered by preapproved technology plans.

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these grant programs.⁵ If they have not participated directly in these programs, they may not have an approved technology plan for their library system or school district. However, they are covered under the state plan filed with and approved by the appropriate federal agency. Hence, including the phrase "covered under" would allow all public libraries and schools to apply for the program, while excluding that phrase would have the practical effect of barring these applicants from filing in a timely fashion.

In addition, a check box must be included for those entities (particularly private schools) that are not covered by a preapproved plan indicating that the technology plan is in the approval process. A copy of the technology plan would be attached (for the same reason as stated in Solution B, above). This would allow affected schools to initiate their application process in a timely manner. Proposed supplemental language for Forms 470 and 471:

Form 470: Certifications and Signature

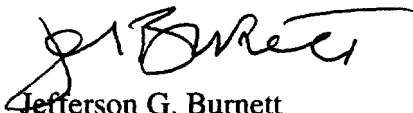
- ☐ The entity or the individual schools and libraries comprising the entity has prepared an approved technology plan *or is covered under an approved technology plan* for using the services sought above if they consist of more than basic telecommunications, i.e., voice services.
- ☐ The applicant's technology plan has been submitted for approval.

Form 471: Certifications and Signature

- ☐ Funds will be held in escrow until notification of technology plan approval has been forwarded by the applicant to the fund administrator.⁶

In accordance with Commission rules, I am submitting two copies of this notice to the Office of the Secretary. Please acknowledge receipt hereof by affixing a notation on a duplicate copy of this letter furnished herewith for such purposes and remitting same to the bearer.

Sincerely,



Jefferson G. Burnett
Director of Government Relations

cc: Maryanne McCormick

⁵ Both TLCF and LSCA/LSTA have two levels of planning involved. First, the state submits an application to the appropriate federal agency. That plan will include some sort of "technology plan," but the plan does not usually address the needs of individual school districts or library systems. A second round of planning occurs within the state, where individual school districts and library systems apply for funding from the state.

⁶ Please see footnote (4) above.